

The property lies in the Slate Lake belt which is a dominantly a metasedimentary greenstone belt. Regional work conducted during the late 1970's consisted of geological mapping, horizontal loop EM and magnetic surveys. The immediate area around Slate Lake is underlain mainly by ENE-WSW striking metavolcanic rocks. The property is underlain by a 1 kilometre wide band of mafic volcanics with interbedded metasediments and intermediate volcanics and contains good outcropping with shallow overburden.

In 1988 Noranda completed an exploration program around Slate Lake that resulted in the discovery of a 1 kilometre long silicified, gold-bearing, shear zone north of Panama Lake (just west of the present property). Noranda also carried out a program of surface exploration in 1989 on the north side of Slate Lake, covering an area within the present property. Noranda conducted a humus geological survey that confirmed the existence of anomalous gold, which was further confirmed by follow-up rock sampling yielding samples of silicified mafic volcanics assaying as high as 6.27 g/T Au. An IP survey over the area gave several strong anomalous responses that were never drill tested.

#### *Corallen Lake Property*

The Corallen Lake property consists of 48 claim units totaling 1,897 acres and is located in the Red Lake/Birch Uchi greenstone belt. The Corallen Lake property lies at the north edge of the Red Lake greenstone belt. It is located in McDonough Township, 9 miles north of the town of Red Lake and 6 miles NNW of the Campbell and Goldcorp mines at Balmertown. Less than 1 mile to the south, Goldcorp holds a gold occurrence called the Slate Bay zone and the intervening ground is held by Rubicon and Skyharbour.

The Corallen Lake property is underlain mainly by a 1.5 kilometre wide band of intermediate volcanics belonging to the 2700 my old Confederation Group. These are bounded to the south by clastic metasediments and to the north by a granitic terrain. Two magnetic anomalies that show on the government airborne survey might be caused by ultramafic rocks, and should be investigated accordingly.

#### *Dixie Lake North Property*

The Dixie Lake North property is comprised of 3 claim units totaling 1,304 acres. The Dixie Lake North property is located 14 miles southeast of the town of Red Lake. The property adjoins the Dixie Creek property, currently held by Sunbridge Gold Corp., on which a gold deposit has been partially defined. The Dixie Creek gold deposit was discovered in the early 1970's by Newmont Mining, and was further explored by Mutual Resources Ltd., National Trust Co., and Teck Exploration during the period 1988-1990. The property is located 14 miles southeast of the Town of Red Lake.

The Dixie lake North area lies in a WNW-ESE trending greenstone belt that is separated from the main Red Lake greenstone belt by about 3 miles of granitic terrain. Geological mapping by the MNDM indicates that the contact between pillowed mafic metavolcanics and intermediate to felsic metavolcanics runs across the property in a NW-SW direction. On the property, there is approximately a 2 kilometre strike length along the "Dixie Creek trend" of which most has been covered by magnetic and VLF surveys. Six magnetic anomalies have been defined, of varying size and intensity, of which two have strong conductivity associated with them.

#### *Sobel Lake Property*

The Sobel Lake Property consists of 40 claim units totaling 1,581 acres, and is located in the Red Lake/Birch Uchi greenstone belt, approximately 16 miles east-southeast of the town of Red Lake and 12 miles east-southeast of the Campbell (Placer Dome) and Goldcorp mines at Balmertown.

The property lies at the extreme eastern end of the Red Lake greenstone belt, more or less on the strike extension of the ESE-trending deformation zone that hosts the prolific Campbell and Goldcorp mines. According to the reconnaissance-level published MNDM geological map, it is underlain by mafic volcanics. The MNDM airborne magnetic-EM survey covers the property. It shows a prominent east-west trending magnetic anomaly running the length of the property at the east end. This anomaly is part of a trend that runs almost continuously from Balmertown, terminating on the Sobel Lake property. The anomaly may be caused by magnetite iron formation or ultramafic rocks, or a combination of the two. Drill testing in the area has been on conductors that lie well to the south of the main magnetic trend. The possible presence of ultramafic rocks is important because the high-grade gold zones at Campbell and Goldcorp are closely associated with ultramafic rocks.

*Papaonga Lake Property*

The Papaonga Lake Property consists of a South Block with one 12-unit claim, and a North Block of three claims totaling 42 units, for a total property size of 54 units (2,135 acres). The property is located 63 miles east of Red Lake and 42 miles northeast of Ear Falls in the Red Lake/Birch Uchi district.

The Papaonga Lake area is underlain mainly by mafic metavolcanics, which are wrapped around the Papaonga Lake pluton, a large oval body of diorite. An important feature of the area is the contact between two geological subprovinces: the Uchi Lake subprovince to the north and the English River subprovince to the south. At Papaonga Lake, the published geological map shows this subprovince boundary to be a major fault.

To date five gold occurrences have been documented on the property. The Shore occurrence lies on the South Block shore of Papaonga Lake (very close to the Uchi-English River subprovince boundary). It consists of a sheared felsic tuff with pyrite, arsenopyrite and chalcopyrite. The rocks are sericitized and carbonatized, and impregnated with tourmaline. Channel samples have assayed as high as 0.12 oz/ton Au. The other four occurrences are on the North Block claim group, and are associated with bands of iron formation and clastic metasediments interbedded with the mafic volcanics. The North Block showings consist of disseminated pyrite and arsenopyrite in sheared sericitic tuffs and iron formation. Channel samples have assayed as high as 0.33 oz/ton Au.

*Wasp Property*

The Wasp Property consists of 48 claim units, covering 2,120 acres and lies immediately to the south of the South Bay Mine, which produced 1,600,000 tons of high-grade copper-zinc ore between 1971 and 1981. The South Bay mine road runs across the property, making for easy and inexpensive access.

The property lies in the Birch Lake-Uchi Lake volcanic belt, well known for its gold occurrences, all the previous exploration on the Wasp property appears to have been targeted at base metal mineralization of the South Bay type. Two occurrences of zinc-copper mineralization, the Wasp and Culvert zones, lie on the property, and a third, the Moth zone, lies just outside the boundary. Almost all of the previous diamond drilling on the property has been on the Wasp zone, which has given values of up to 0.63% copper, 1.40% zinc and 0.15 oz/ton silver over widths up to 2.3 feet.

*Killala Lake Property*

The Killala property lies at the end of the southwestern arm of the Red lake greenstone belt. The property covers the northern part of the belt, which is underlain mainly by mafic volcanic rocks. In the centre of the belt, including the southern part of the property, lies a 1 mile by 2.4 mile granodiorite intrusion, within which are at least three bodies of peridotite. Towards the eastern end of the property is another ultramafic body, described on the OGS geological map as komatiite (ultramafic volcanic flow). If this identification is correct, it suggests that the rocks may belong to the 2,900 m.y. Balmer assemblage which hosts the bulk of gold in the Red Lake camp; younger rocks seldom if ever include ultramafic flows.

Major faults are present on the property: the Telescopic Lake fault forms the northern boundary of the greenstone belt, and the Suffel Lake fault cuts across the belt in a NE-SW direction. To the east of the property, detailed mapping has revealed a number of east-northeast trending shear zones.

*Laird Lake Property*

There are seven documented gold occurrences on the property. They are reported to consist of quartz veins in either massive or sheared volcanics. Individual veins are reported to be up to 15 inches wide. Historic samples generated assays up to 3.06 opt Au. The property contains two drill holes containing economically interesting intersections: hole 89-9 cut 1.5 metres of 0.205 opt Au; and hole 89-11 cut 1.3 metres of 0.245 opt Au.

The Laird Lake property lies on the southwesternly arm of the Red lake greenstone belt, which is narrow (about 1.2 miles) at this point. To the north is the Killala-Baird granodiorite batholith, and to the south is a large area underlain by granodiorite with volcanic remnants. The rocks underlying the Laird Lake property are mafic volcanics with interbedded felsic units. It is not known if they belong to the Balmer or Confederation assemblages. Ultramafic

rocks are present; the OGS map shows a small body of peridotite, and Hurnous' plans show two outcrops of "talc schist" and "serpentine." Faults and deformation zones are well developed in the area. The northern boundary of the volcanic belt is defined by two faults - the Laird Lake fault and the Telescope Lake fault - which intersect at low angles on the north side of Laird Lake. In addition, there are several east-northeast trending zones of shearing and mylonitization, which were mapped by Black Cliff Mines.

## **MANAGEMENT AND PRINCIPAL CONSULTANTS**

### **Officers and Directors**

#### ***Anthony W. Wile – Chairman of the Board***

Anthony has more than 10 years experience consulting to mining companies focused on the exploration and development of a variety of minerals but primarily gold. Mr. Wile has successfully raised several million dollars for various exploration programs in North America, South America, Mexico, and Southeast Asia. Mr. Wile has been a feature speaker at various Mining Conferences throughout Canada and the United States. Prior to becoming a private consultant to the Mining industry, Mr. Wile worked in the Canadian Investment Industry with Scotia McLeod (Bank of Nova Scotia), and Nesbitt Burns (Bank of Montreal). Mr. Wile was a Certified Investment Manager and in 1994 was made a *Fellow of the Canadian Securities Institute*. Mr. Wile has a Business degree from Saint Mary's University and continues to consult to several Canadian mining companies.

#### ***Ian G. Park – CEO/ President and Director***

Ian has over 30 years experience in the exploration, mine development and financial markets. His exploration career encompasses mineral exploration throughout the Americas, Europe and Southeast Asia. In 1983, he founded Greenstone Resources, one of the first junior companies to enter into the gold exploration frontier of Latin America. Under his supervision the company built the second largest underground gold mine in Colombia and explored and developed the Santa Rosa open pit gold mine in Panama. His efforts also secured the rights to develop the La Libertad open pit gold mine in Nicaragua from the Nicaraguan government. Mr. Park retired from active management of Greenstone in 1993. During his tenure the company raised more than \$50 million in the public markets. Since 1993, he has raised funding and conducted exploration in Mexico, Chile and Southeast Asia. Mr. Park is a *Fellow of the Geological Association of Canada*. Mr. Park has a B.Sc. in Geology and Geophysics from the University of Toronto, a M.Sc. in Geology from Dalhousie University and speaks Spanish fluently.

#### ***William D. Daly – Director***

Bill has been actively involved in the management of several public mineral exploration companies since 1985. Mr. Daly is a past President and Director of Chapleau Resources Ltd., Borneo Gold Corp., and Independence Resources Inc. Mr. Daly has also been a past Director of Inlet Resources Ltd., Masuparia Gold Corp, and most recently Seabridge Resources. Mr. Daly has helped to raise several million dollars for mining exploration. Mr. Daly spent 27 years as a consultant in the computer industry prior to his mining career. Mr. Daly consulted to oil companies, universities, provincial governments and the Federal government of Canada. Mr. Daly is an active member of the Canadian Mining Industry and continues to represent exploration companies at mining conferences throughout Canada and the United States.

#### ***David Lager - Director***

Mr. Lager spent most of his 42-year career in the financial industry as a senior executive occupying a diverse range of positions. David began his career in 1951 with Dominion Securities (Predecessor to RBC Dominion Securities), where he spent 9 of his 12 years as a retail branch manager. Following Dominion Securities, David left the retail side of the business and went to work with Greenshields Inc. where he spent 8 years in institutional sales. David spent the next 15 years of his career as a director and vice president with Walwyn, Stodgell, Cochrane, Murray Ltd.

(Predecessor to Merrill Lynch Canada). David retired in 1996 with the Bank of Montreal's investment arm - Nesbitt Burns, where he spent 10 years as a retail branch manager of one of the firm's flagship branches. Mr. Lager is a former director of Talus Ventures Corp., a Canadian listed public company that had mineral exploration experience in the Red Lake/Birch Uchi region of Northwestern, Ontario. Mr. Lager was a featured speaker at mining industry conferences during that period.

***Robert E. "Dutch" Van Tassell - Director***

Dutch was born in 1935 at Digby, Nova Scotia. He graduated in Geology from Mount Allison University in 1958. In 2000 Dutch received the Prospector and Developers Association of Canada's coveted Special Achievement Award, awarded to persons in recognition of a contribution of particular or special merit to the mineral exploration industry.

Dutch started his mining career as a summer student with Giant Yellowknife Mines. While at Giant Yellowknife Mines from 1956 to 1962 he was involved with mining and exploration geology. The exploration work conducted consisted of mapping large areas employing Bell G-1 helicopters, flying ½ mile spaced lines at a height of 300 feet. Interesting observations were followed up with ground inspections.

From 1962 to 1963 Dutch worked as an underground geologist with Denison Mines in Elliot Lake, Ontario.

From 1963 to 1982 Dutch worked with United Keno Mines in Elsa & Whitehorse, Yukon Territories. In 1967 he discovered the Husky Mine which produced over 25 million ounces of silver. The discovery was the result of pioneering the use of an overburden drilling sampling technique and geochemistry. The Husky Mine, the first new vein discovery since the 1920's lay under 25 to 50 feet of overburden. The program also extended known vein areas, which were later mined by small open pits, hence extending the life of the mine.

In 1969 he set up a Yukon regional exploration office at Whitehorse which in 1972 discovered the Minto Copper Deposit, employing helicopter supported two man prospecting crews in tree covered areas.

While in Whitehorse Dutch served as a director of the Yukon Chamber of Mines for 11 years, two as president. He served 4 terms on the Northern Resource Conferences held every three years and sponsored by the Yukon Chamber of Mines and Whitehorse Chamber of Commerce, two of these as Chairman. He served as Chairman of the Whitehorse branch of the CIM and two years as Councillor of District 6. He gave introductory and advanced prospecting courses for the Chamber of Mines.

In 1982 Dutch joined Dickenson Mines/Goldcorp located in Canada's prolific Red Lake, Ontario mining district, as Vice President of Exploration. In 1984 he was involved with the discovery of additional reserves at the then active silver, lead, zinc Silvana Mine at Sandon, B.C. In 1989 Dickenson Mines was acquired by Goldcorp. Dutch was responsible for getting Goldcorp to conduct exploration at depth at the A.W. White Mine, which led to the "high-grade discovery" in 1995. Dutch retired in May 1998 to assist with family matters.

While in Toronto he served as a Board Member of the PDAC from 1984 to 1993, serving as Chairman on the Program and Environmental Committees.

Dutch is a Life Member of the CIM, a member of the Association of Exploration Geochemists and Geological Association of Canada.

***Dr. Colin R. Bowdidge - Vice President of Exploration.***

Dr. Colin R. Bowdidge, P. Geo, has been appointed as the Company's Vice President of Exploration. Mr. Bowdidge was educated at the University of Cambridge, where he received an M.A. degree in mineralogy and petrology, and at the University of Edinburgh, where he earned a Ph.D. in geology. He is a registered Professional Geoscientist with the Association of Professional Geoscientists of Ontario. He has worked in mineral exploration for 32 years, primarily in Canada, but including projects in the U.S.A., South America and Europe. Mr. Bowdidge has served as a

director and/or officer of several publicly traded mining and exploration companies, of which the best known was Greenstone Resources Ltd.

Renaissance's President, Ian Park, said, "Colin has the unique capability of being able to turn a keen academic knowledge into exploration success. He was one of the initial founding directors of Greenstone and has a clear understanding of our exploration, development and production objectives."

After working for major companies (Cerro Mining Corporation and Union Miniere) for five years, Mr. Bowdidge became a consulting geologist, which has been his principal occupation since 1974. His experience has covered exploration and development projects for a wide variety of mineral commodities: precious metals (gold, silver and platinum-group metals), base metals (nickel-copper magmatic type, copper-zinc volcanogenic type, lead-zinc vein type), uranium, ferrous metals (iron ore, titanium) and industrial minerals (talc, tremolite, wollastonite, graphite, garnet, muscovite, kyanite, barite).

With a thorough knowledge of applied geology as it relates to mineral exploration, Mr. Bowdidge also has extensive hands-on experience in modern geophysical and geochemical exploration techniques. The majority of his experience has been in the Canadian Shield where a long and complex history of metamorphism and deformation requires careful observation and skillful interpretation to unravel geological environments and their effect on mineralization.

His proudest achievement to date has been the discovery of the Olden wollastonite deposit in southeast Ontario in 1986. This deposit contains a measured resource of 2.5 million tons grading 29% high aspect-ratio wollastonite. He made the discovery single handedly after being requested by the client to search for a wollastonite property. The discovery process took two days of literature research using public-domain data that had been published years previously, and one day in the field. The property had previously been mapped three times by government surveys and once by a mining company without any recognition of its wollastonite potential. Wollastonite is a calcium silicate mineral that is used in a wide variety of applications, but is most important as reinforcing filler in high-end plastic mouldings. The Olden deposit has an estimated gross value of between one and two billion dollars.

In addition to exploration projects, Mr. Bowdidge has been involved in the development of several mines: the Pinebay copper mine in Manitoba, the Thierry nickel-copper mine in northwest Ontario, the Cerro Mojon gold mine in Nicaragua and the San Andres gold mine in Honduras.

Mr. Bowdidge has served as a director and/or officer of several publicly traded mining and exploration companies, of which the best known was Greenstone Resources Ltd.

### **Geologic/Technical Experts**

#### ***Barry James Price, M.Sc., P.Geo. – Consulting Geologist***

Barry began his career in the mining industry in 1963. He has been working as a geological consultant to major and junior exploration companies for the past 29 years. He has prepared Qualifying Reports (National Policy 43-101 compliant), property evaluations and assisted in the development of exploration programs and supervised major drill programs. He has extensive experience in preparing Valuations or Opinions of Value for RTO's, major transactions and expropriations.

Barry has conducted property inspections in Canada, US, Mexico, Cuba, Panama, Nicaragua, Peoples Republic of China, Republic of South Africa, Ecuador, Argentina and Indonesia. He has compiled geological research reports for areas of Ecuador, China, Panama, Argentina, Australia. He is familiar with porphyry copper, gold, molybdenum systems, Epithermal and Mesothermal gold deposits, Volcanogenic massive sulphides and volcanic/sediment hosted red-bed copper deposits, diamond exploration, and detailed reviews of jade and other gemstones.

Barry is a director of Island-Arc Resources Corp. He has been a past director of: Delphi Resources Ltd. 1974-1984, Territorial Gold Placers Ltd. 1975-1982, Golden Eye Minerals Ltd. 1983-1990, Geostar Mining Corp. 1985-1990, Miramar Energy Corp. 1985-1988, Int. Conquest Resources Ltd. 1995-1997, Probe Resources Ltd. 1996, Layfield



Resources Inc. 1989-1990, Aquiline Resources Ltd. 1989-1990, Mansfield Minerals Inc. 1989-1993, Pamlico Resources Corp. 1997-1999, Baobab Minerals Ltd. 1998-1999, Skygold Ventures Ltd 1998-2000, and Lorex Gold Corp. 1997-2001.

Most recently Barry has:

- Prepared qualifying reports on gold properties in Nevada, British Columbia, Argentina, copper properties in Chile, diamond properties in Saskatchewan, South Africa, Alberta, Northwest Territories, Australia, South Africa and Brazil.
- Prepared technical reports and valuations for a cobalt, nickel, copper, lead Mississippi Valley Type property in Missouri.
- Prepared valuation reports of gold and diamond properties in Western Australia.
- Conducted geological reviews of gold property acquisitions in Nevada and Sonora, Mexico.
- Supervised and reported on exploration programs in Panama and Cuba.
- Prepared a technical report and valuation report to support release of performance shares for major projects in Ecuador.
- Reviewed a number of significant gold properties in China.
- Qualified a number of properties in central Argentina.
- Prepared valuation reports for the Buffer zone diamond property (Archon), the Aries kimberlite (Australia).
- Prepared a valuation report of a major diamond property (in progress)
- Prepared a valuation of jade property (Jade West Group) and opal property (Okanagan Opal)
- Reviewed a number of properties in Indonesia for an investor group.
- Prepared a valuation report of a gold deposit at Harrison Lake
- Prepared a valuation report of a major gold deposit in Indonesia (Masuparia)
- Prepared valuation and technical reports of a major fluorite property in Newfoundland.
- Prepared a valuation report of a number of gold properties in Sierra Madre Occidental, States of Chihuahua and Durango, Mexico
- Supervised a month long drill program on gold and platinum targets Northwestern Ontario.
- Reviewed and described a diamond exploration project in Alberta.
- Prepared talks on consulting geology for graduate students at UBC
- Assisted with preparation of a description of mineral prospects for BC Yukon Chamber of Mines
- Prepared a file concerning mineral property valuation methods.
- Assistance with problems concerning a number of expropriations by the BC Government. Valuation of the expropriated claims and assistance in receiving fair compensation

Barry is an active member of the *Association of Professional Engineers and Geoscientists*, the *B.C. & Yukon Chamber of Mines*, and the *Canadian Institute of Mining and Metallurgy*. He has published several industry recognized works including:

Sinclair, A.J., et.al., (1977); *Minor Elements in Pyrites from some porphyry type deposits, British Columbia*. Transactions of the Society of Mining Engineers, June 1977, vol.262, pp 94-100.

Godwin, Colin I., and Price, Barry J., (1988); *Geology of the Mountain Diatreme Kimberlite, North-Central Mackenzie Mountains, District of Mackenzie, Northwest Territories.*, CIM Special Volume on Mineral Deposits of the Northern Canadian Cordillera.

## RISK FACTORS

### Risks of Investment in the Company

**General.** In general, there can be no assurance that the Company will achieve its objectives or that the investors will receive any return on, or the return of, their invested capital. An investment in the Company involves certain risks and considerations, which investors should evaluate before making a decision to acquire any Company shares. Following is a brief description of certain factors that, along with the matters discussed elsewhere in this Memorandum and such other matters as may be material to an investment in the shares, should be considered by prospective investors in the Company.

**Unproven Assets and Unspecified Future Transactions.** As discussed above, the Company recently closed on purchase of certain possibly mineral bearing properties in the Red Lake / Birch Uchi gold district. As of the date of this Memorandum, the Company has not had an opportunity to complete assessment of the mineral producing opportunities associated with such properties. Consequently, there is no information as to the nature and terms of particular assets that an investor can evaluate when determining whether to invest in the Company. A decision to invest must, therefore, be made primarily on the basis of an investor's appraisal of the ability of the Company's management, and the proposed objectives and operations of the Company.

Unspecified transactions also create uncertainty and risks because there can be no assurance that the Company will be able to locate and acquire assets meeting its objectives. Competition for unspecified assets may also result in the Company's acquiring assets on less favorable terms than expected.

**Acquisition Risk.** The acquisition of any assets or business by the Company involves a number of risks. For example, the assets or businesses may involve contingent liabilities about which the Company does not learn in its due diligence process. For example, in the event the Public Shell – Sedona – were to have undisclosed contingent liabilities, such contingent liabilities could have a material adverse effect on *Renaissance* and its stockholders. Other risks also include, but are not limited to, the possibility that the seller may make misrepresentations about the nature or quality of the acquired asset or business, which could also significantly and adversely impact the Company.

**Risk of Ownership of Non-U.S. Assets.** As noted above, the Company has signed a letter of intent to acquire the Central American Mining Properties. The political / government history of Central American countries is replete with examples of sudden and unforeseen political change that has had an adverse impact on foreign owners of property located in such countries, up to and including nationalization and confiscation of foreign owned assets. Any restriction or taking of the assets of the Company to be located in Central America would have a significant, adverse effect on the business and operations of *Renaissance*. While management of *Renaissance* believes the current climate in Central America to be reasonably stable regarding respect of foreign owned property located therein, given the history of politics in this region, investors must consider the risk posed to the Company by such history when evaluating the risks of investment in the Company.

**Additional Financing.** The proceeds of this offering are forecast to be sufficient to meet the immediate cash capital requirements of the Company regarding closing of purchase of the Central American Mining Properties. However,

additional financing, whether by debt or equity, will be necessary in order to acquire further assets or businesses as contemplated in the Company's business strategy. The Company has no arrangements for any additional financing, and it is uncertain whether it can obtain such financing on acceptable terms. Also, the Common Stock has no right to anti-dilution protection, and any issuance of additional shares of stock (whether common or preferred) will diminish the beneficial ownership of the Company by existing holders of Common Stock. Were the Company to issue preferred stock, such stock may have rights in regard to dividends, liquidation or other matters senior to the Common Stock.

As noted above, the Company (through Renaissance Holding Corp. following the Merger) intends to issue \$4,050,000 of Convertible Debentures in connection with acquisition of the Central American Mining Properties. Conversion of the Convertible Debentures (at \$3.00 per share) would result in the issuance of an additional 1,350,000 shares of common stock. The Company may raise capital by issuing debt or equity for the acquisition of certain unknown mining projects. The Company may use derivatives for hedging purposes if management believes it is in the best interest of shareholders to do so.

Finders fees may be payable in the event the Company acquires mineral properties. The finders fees will not be payable to any officers or directors of the Company.

***Dilutive Impact of the Merger.*** As noted in the "Summary of Offering Terms", of the approximately 16,592,600 shares of Common Stock anticipated to be outstanding immediately following the Merger, 2,135,000 shares will be attributable to shares of Sedona common stock issued prior to the Merger, representing approximately 12.87% of the post-Merger outstanding capital stock of the Company. Management of Renaissance believes the equity position to be retained by the Sedona stockholders is reasonable and consistent with the equity retained by stockholders of public company shells in transactions of this type. Nevertheless, the Sedona stockholders will not pay any consideration for their stock position in the post-Merger company. Accordingly, the Sedona stockholders position will dilute the equity position of the stockholders of *Renaissance*.

***Dependence on Key Individuals.*** The success of the Company is highly dependent on the contributions and expertise of the Company's management and geologic / technical experts. Loss of the services of one or more such individuals could have a material adverse impact on the Company's operations and expected return on investment.

***Dependence on Third Parties.*** The success of the Company is dependent, in part, on services to be obtained from third parties with specialized capabilities, such as geology, geophysics and environmental engineering. There can be no assurance that the Company will be able to obtain such services when needed, or be able to obtain such services on reasonable terms satisfactory to the Company. Failure to obtain such services when needed could have a material adverse effect on the Company's operations and expected return on investment.

***Offering Price and Number of Company Shares Arbitrarily Determined.*** The price of the Shares has been arbitrarily determined by the Board of Directors. The price of the Shares is not based on expected return on investment or on an independent appraisal of the value of Company Shares.

***No Right to Participate in Management.*** Investors will have no right to participate in the management of the ordinary business of the Company. All decisions with respect to the Company's operations and investments will be made by its Board of Directors and officers.

***Tax Risks.*** There are tax risks and consequences related to an investment in the Company that are not described in this Memorandum. Each prospective investor is urged to consult with its own tax advisors, with specific reference to its own tax situation as it relates to an investment in the Company, including the effect of potential changes in such tax laws.



**Absence of Registration; Restrictions on Transferability; No Market for Shares.** The Shares in the Company have not, and will not be, registered under the Act or applicable state securities laws, and are considered “restricted securities” under the Act and applicable state securities laws. Even after closing of the Merger, the shares offered in this Offering will remain restricted securities and not eligible for sale absent registration or an available exemption from registration. See “Effect of the Merger” below.

No regulatory authority has reviewed the terms of this offering, including the disclosure of risks and tax consequences, and the fairness of its terms. Prospective investors do not necessarily have the protections afforded by applicable federal and state securities laws governing registered offerings and they must judge the adequacy of disclosure and the fairness of the terms of the offering without the benefit of review by any regulatory authority. The Shares will be affected by restrictions on resale imposed under federal, state, and foreign securities laws.

An investment in the Company involves a high degree of risk and investors must be able to bear the economic risk of their investment for an indefinite period. There is currently no public market for Shares in the Company; therefore an investment in the Company is inherently illiquid.

**Effect of Merger.** If the Merger should occur, shares of Renaissance Holding Corp. existing prior to the Merger will remain eligible for public resale, subject to compliance with applicable provisions of the Securities Act. However, shares of Renaissance Holding Corp. received by stockholders of the Company will be “restricted securities” and will not be eligible for public resale. Accordingly, Company stockholders who desire to sell their post-Merger shares of Renaissance Holding Corp. must either register their shares under the Securities Act or sell their shares in compliance with Rule 144 thereunder. Generally, Rule 144 under the Securities Act imposes a one-year holding period on the shares held, certain sales volume limitations, public information availability and related items as a condition to eligibility to sell thereunder.

**Indemnification.** The Company’s Certificate of Incorporation contains provisions limiting the liability of the directors and officers. The Company also provides for indemnification of such parties under certain circumstances. Should any of these parties be successful in asserting a claim for indemnification against the Company, the assets of the Company could be subjected to substantial reduction.

## **General Risks of the Industry**

**Mining Risk.** Mineral exploration involves a high degree of risk of loss. There is no assurance that any of the Company’s mining projects or other enhancement operations in which the Company participates will obtain production or, if production is obtained, that such production will be sufficient to recover the Company’s share of the cost of such activities. Among other things, mining operations can be significantly impacted by the accuracy of the estimate of mineral reserves and the effect on those reserves of fluctuating market prices for such minerals.

**Title Risks.** Title opinions will be obtained before the drilling on projects commences, but there is no assurance that there are no undiscovered title defects to the Company leases. Such defects may require additional expenses in order cure them to the satisfaction of the title examiner.

**Environmental Regulations.** Operations of the Company may be subject to certain laws and regulations governing the discharge of materials into the environment or otherwise relating to environmental protection. These laws and regulations may require the acquisition of a permit before mining commences, prohibit mining activities on certain lands lying within wilderness and other protected areas, and impose substantial liabilities for pollution resulting from mining operations. Tougher new environmental laws might be imposed on the industry that could result in higher costs and greater risk exposure for the Company.

**Regulation of Production.** The exploration and production of base metals, precious metals and strategic minerals (collectively, the “Minerals”) is subject to extensive federal and state or Canadian provincial laws, rules, orders, and regulations governing a wide variety of matters, including the mining and spacing of projects, allowable rates of production and prevention of waste and pollution. In addition to the direct costs borne in complying with such regulations, operations and revenues may be impacted to the extent that certain regulations limit Mineral production